

REMARKS

Claims 1-17 were rejected under 35 USC 102(b). The basis for this rejection is stated to be Exhibit 6 sub-mitted on April 24, 1996 by applicant in conjunction with a Request for Interference with U.S. Patent No. 5,371,298 per 37 CFR 1.607. Exhibit 6 is appended to a Prima Facie Showing that applicant is entitled to judgment in an interference proceeding, submitted with the Request as required by 37 CFR 1.608. Exhibit 6 is five pages -- the first page is a cover letter from the project manager of ARCO Chemical Company (an admitted affiliate of ARCO Chemical Technology, the assignee of U.S. Patent No. 5,371,298). The first page of Exhibit 6 states that the attached four pages is "ARCO's standard confidentiality agreement," circa April 1987.

To support a Section 102 anticipation rejection, the Examiner must show that every element of the rejected claim(s) is disclosed in a single cited reference (or event in this case). It is not a mere utterance of an offer for sale that constitutes an anticipation. It is the public disclosure of the invention and an offer to sell that specifically disclosed invention which could constitute an anticipation.

Exhibit 6 is a letter of intent, written by ARCO Chemical Company, for a proposed confidential disclosure. There was no offer to sell by the applicant, John Kollar. At best it shows ARCO's desires to eventually examine, evaluate and exploit certain technology at a prospective time. The letter does not disclose the details of the invention, and much less any elements of the present claims.

Applicant has also received notice from ARCO Chemical Technology that it

had filed a Protest on or about January 27, 1997 under 37 CFR 1.291 in the present application, Serial No. 567,564. A copy of that Protest along with a copy of opposing counsel's Certificate of Service are attached as Appendix I to this Response. As stated previously, ARCO Chemical Technology is the assignee of U.S. Patent No. 5,371,298, the specific patent for which applicant has requested that an Interference be declared. The Protest was filed of record in the file wrapper of the present case by the Senior Party, ARCO. Therefore, this case is no longer an ex parte case of the type the Examiner has jurisdiction over. The issues have been joined and this case is now an inter-party matter for which the Examiner has no jurisdiction.

Applicant submits that an Interference must be declared, otherwise it would appear that the Patent Office has arbitrarily favored the Senior Party by simply refusing to acknowledge that material questions of fact exist in an inter-parties matter. In that regard, it is noted in Appendix I that the Protest was filed to Examiner W. Lone of Art Unit 1204, the same Primary Examiner listed on U.S. Patent No. 5,371,298. The present Examiner does not even acknowledge, in an Office Action mailed April 22, 1997, the Protest filed of record in January, 1997 in the present case and to the same art unit.

The Senior Party has introduced material issues of law and facts into the present case. The Senior Party has specifically joined the legal and factual issues by specifically challenging "the papers filed by Kollar [the applicant/Junior Party] in the captioned application" as noted on page 1 of the Protest. Applicant respectfully requests that the Interference requested previously of record be declared as this is a de facto inter-party matter

since applicant can no longer respond in the record without addressing a third party's insinuations and detrimental allegations. In this situation, it is the Board of Patent Appeals and Interferences which must determine the issues that have been presented by two independent parties.

With respect to the issue of patentability of the Junior Party's invention, the very reference or event cited by the Examiner (Exhibit 6, proposed confidentiality agreement) would be an invalidating reference for the Senior Party's patent, if the Office Action's rationale were followed. It is the Office Action's position that an alleged disclosure was made with an alleged offer for sale which constitutes an anticipation. The filing date for the application which led to U.S. Patent No. 5,371,298 (the '298 patent) is December 22, 1993. The alleged public disclosure is said to be April 29, 1987. Then, logically, the '298 patent is prima facie invalid since the same alleged "pub-lic" disclosure was made with respect to the Senior Party.

On its face, there are just too many unanswered questions of record. An alleged public disclosure was made by applicant to an "affiliate"<sup>1</sup> of the patentee of the '298 patent, purportedly as evidenced by a confidentiality agreement entered between the applicant and the affiliate of the '298 patentee. In the first place, how can a "confidential" agreement be a "public disclosure?" The applicant/Junior Party has unequivocally requested that an

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<sup>1</sup> The Protest at Appendix I, first page, states that ARCO Chemical Company is an "affiliate" of ARCO Chemical Technology, L.P.

Interference be declared in a timely and proper manner and the patentee/Senior Party has clearly protested that Interference of record making specific reference to an agreement made by its affiliate which just happens to be the very reference cited by the Examiner against the applicant.

There are very definite material and disputed facts between at least two parties opposed to each other, all revolving around the invention which is claimed in both U.S. Patent No. 5,371,298 and the present application. This is the very essence of an Interference proceeding which must be passed on to those with the proper jurisdiction to oversee such issues, namely the Board of Patent Appeals and Interferences. It is simply improper for the Primary Examiner to review the evidence presented by the Junior Party which has now been tainted by the Protest against that evidence filed by the Senior Party.

On page 3 of the Office Action, the Examiner re-requests certain pages that might be associated with Exhibit 3 (also submitted with the Request and the Prima Facie Showing) because such "material is required to make a determination of whether such document constitutes public use or sale..." (emphasis supplied). On the one hand, a Section 102 rejection has been made based on "a sale," yet the above quote suggests that such a determination has not been made definitively. In any event, the prevention of that kind of "determination" in the degree the Examiner wishes to make, is exactly why 37 CFR 1.608 requires that the Junior Party only has to present a prima facie showing. The applicant requests that the Examiner turn this issue (and others as reiterated above and below) over to the proper authority for determining such issues. The applicant has made a prima facie showing. It is

up to the Board of Patent Appeals and Interferences to resolve the issues.

In order to provide the Examiner with as complete a record as possible, applicant submits pages 2-22 of Exhibit 3 as requested on page 3 of the Office Action, and the following.

The Disputed Facts and the  
Current Law on Offers for Sale

The Office Action essentially states that applicant's prior activities constitute an offer to sell to an aff-iliate of the Senior Party. Applicant, through his company Redox Technologies Inc., entered into a number of confidentiality agreements relating to the general subject matter of this application. Applicant made sure that each such agreement provided for disclosure of only confidential information from Redox Technologies to allow the recipient to evaluate the subject technology and assess the desirability of entering into a subsequent agreement relating to its use or development. No such subsequent agreements were made with the affiliate of the Senior Party. Instead, ARCO chose to misappropriate and unfairly exploit the information rev-ealed under confidence and secrecy.

On April 29, 1987, applicant, through his company Redox Technologies, Inc., entered into the confidential agreement at issue with ARCO Chemical Company (Exhibit 6 of record). On the second page of Exhibit 6 it is clearly stated that "ARCO...understands that Redox Technologies, Inc...has developed and has rights to a process for conversion of methanol to ethylene glycol including catalysts...." Again, the determination of the materiality of such facts is the very essence of an Interference. An Interference action will determine why

ARCO in 1987 "understands that Redox Technologies, Inc...has developed and has rights to a process...including catalysts" and why in 1993 ARCO's affiliate filed a patent application on the very same technology with-out providing any credit to the applicant or Redox Technologies.

Page 4 of the Protest (Appendix I) attempts to establish that ARCO Chemical Technology independently developed the invention, but the main thrust of the Protest is stated on page 2 which alleges that applicant's invention had been publicly disclosed to an "affiliate" of ARCO Chemical Technology. Applicant emphatically contests these un-substantiated allegations. If the Board is not allowed to investigate this very suspicious situation, a wrongdoer will have succeed in -- (1) misappropriating technology revealed under confidence, (2) wrongfully obtaining a patent it is not entitled to, and (3) eliminating the rightful inventor from the market by simply making a bald allegation that the invention had previously been disclosed to its "affiliate." Applicant clearly protected his invention from public disclosure by entering into an appropriate secrecy agreement with ARCO Chemical Company. Applicant also respectfully submits that the activities described above do not constitute a sale or an offer to sell more than one year before filing the present application within the meaning of 35 USC 102(b).

The Court of Appeals for the Federal Circuit has addressed the on-sale issue in the context of the transfer of rights to an invention. Moleculon Research Corp v. CBS, 229 USPQ 805 (Fed. Cir. 1986). The defendant in that infringement action argued that the invention then at issue was "on sale" prior to the critical date because of negotiations between

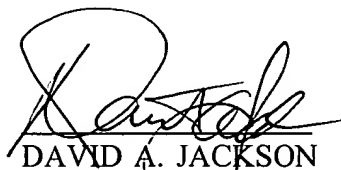
the inventor and the president of the assignee, and that the subsequently issued patent was therefore invalid. See trial court decision Id. at 224 USPQ 595 (D. Del. 1984).

The trial court, however, concluded that even if the inventor were assumed to have assigned inchoate patent rights, "such a transaction does not fall within the 'on sale' bar of Section 102(b) because only potential patent rights and not a device embodying the invention was involved." Id. at 224 USPQ 600 (emphasis added). The Federal Circuit, in full agreement with the trial court, held that even if an agreement had been entered before the critical date, "an assignment or sale of the rights in the invention and potential patent rights is not a sale of the invention within the meaning of section 102(b)." Id. at 229 USPQ 809.

Applicant's activities now at issue are consistent with the type of activity described in the Moleculon decision. Applicant did not sell nor offer to sell any specific "devices" or process embodying the invention. Moreover, applicant did not even grant rights to the invention before the critical date, but instead disclosed confidential information under secrecy agreements only for the purpose of evaluation. Therefore, applicant submits that under the principles set out by the Federal Circuit, his activities did not constitute a sale or an offer to sell.

Applicant has made a good faith effort to fully respond to the Office Action. In view of the above remarks, applicant respectfully requests that the Examiner forward the case to the Board per 37 CFR 1.609.

Respectfully submitted,



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